

CARACOL INDUSTRIAL PARK

Background Information

The U.S. Government is helping the Haitian government in its goal of creating jobs, with an eye toward increasing domestic investment and attracting foreign direct investment.

With an estimated 40 percent of Haiti's population unemployed, job creation is key to poverty reduction. In the early 1980s, the garment sector employed 100,000 people in Haiti. Unfortunately, employment had dropped dramatically due to embargoes, insecurity, and lack of investment. Today, Haiti's garment sector is re-emerging as a source of employment thanks in part to U.S. trade preferences enacted through the Haitian Hemispheric Opportunity through Partnership Encouragement Act (HOPE), HOPE II, and Haiti Economic Lift Program Act of 2010 (HELP) legislation which have made Haiti a more attractive place to invest with the result that the apparel industry has created jobs for more than 30,000 Haitians.

In its 2010 National Action Plan, the Government of Haiti expressed a desire to create centers of economic development outside of Port-au-Prince to spur economic growth and bring jobs to underserved regions. The Caracol Industrial Park is a step toward achieving this goal, bringing together the Haitian and U.S. Governments, the Inter-American Development Bank, and Sae-A Trading Co., Ltd.—Korea's leading garment manufacturer. This major public-private partnership is bringing jobs to Haiti. Since beginning operations in July 2012, the park has created approximately 5,000 permanent new jobs, with more jobs projected as operations expand.

Accomplishments

The U.S. Government, through the U.S. Agency for International Development (USAID), has supported several transition initiatives and communications campaigns to integrate the local community into the development of the park. For example, in preparation for the industrialization that will accompany the park, USAID financed infrastructure improvements in neighboring communities, assisted with security for the park's perimeter, and supported skills training for industrial sewing. Other interventions include the rehabilitation of clinics, community centers, libraries, and sports fields, which are benefiting thousands of people in the surrounding communities. USAID has also funded infrastructure related to the park, including the construction of a power plant that electrifies the park and four surrounding communities. As of October 2014, this included more than 8,600 households, businesses, and government institutions outside of the park. The facility currently has a 10-megawatt capacity and can be expanded to meet projected electricity needs for the tenants in the industrial park, as well as the residences and businesses around the park. USAID also supported the new development of nearby housing communities.